



## INSTRUCTIONS FOR FINANCIAL REPORT FOR BINGO LICENSE Class B and Class C Licenses

Even if no games are played, financial reports must be filed with the Bingo Section on or before the 20<sup>th</sup> day of the month following each reporting period. If any information is missing or incorrect, the report may be returned to you. Failure to file a report within 45 days after the due date, or if reports are not fully, accurately and truthfully completed, may be the basis for the revocation of the bingo license.

### **Lines 1 through 7**

#### **Determine Your Gross Receipts for the Reporting Period**

- Class B licensees report each quarter.
- Class C licensees report monthly.

**Line 1:** Enter your total income from admission charges and card sales. Card sales include all hard card and paper card sales except cards sold for a "Special Bonus Game".

**Line 2:** Enter your total income from the sale of cards for your "Special Bonus Games".

**Line 3:** Enter your income from the sale of bingo supplies. Bingo supplies include daubers, glue sticks, etc.

**Line 4:** Enter your income from interest accrued by all bingo interest bearing accounts. Obtain this information from the bank statements you received during the reporting period.

**Line 5:** Enter any overage here. Cash over is any money which exceeds accountable gross receipts.

#### **Line 6:**

Enter on line 6A the total dollar amount of NSF checks received in the prior reporting period and collected this reporting period.

Enter on line 6B the amount of money received from patrons whose checks were returned as NSF.

Enter on line 6C the total dollar amount of "Not Sufficient Fund" (NSF) checks received but not collected this reporting period.

Add the amounts on line 6A and line 6B then subtract the amount entered in line 6C. Enter the result on line 6D.

**Line 7:** Add the amounts on lines 1, 2, 3, 4, 5, and 6D. These are your GROSS RECEIPTS for the reporting period.

### **Lines 16 through 18**

#### **Determine Your Total Expenditures for the Reporting Period**

**Line 16:** Enter the total prize amount *excluding any prize for a "Special Bonus Game"*. Include all cash and check prizes and the cost of any merchandise prizes.

**Line 17:** Enter the total prize amount given for your "Special Bonus Game".

**Line 18:** Add the amounts on lines 16 and 17. Enter the total on line 18 and on page 1, line 8.

### **Lines 19 through 21**

PENALTY and INTEREST are due on any report filed late. A report is considered late if it is not postmarked or received on or before the due date. The due date is the 20<sup>th</sup> day of the month following the last day of the reporting period. If a due date falls on a weekend or State holiday, the due date becomes the next workday following the weekend or holiday.

#### **Line 20:**

To calculate the INTEREST DUE, multiply the bingo tax due by the current interest rate and enter the result on line 20A. You may obtain the current interest rate from the Bingo Section office serving your area.

Determine the number of days late and enter in the box on line 20B. *Exclude the due date day and include the day paid in figuring the number of days late.*

Multiply the amount on line 20A by the amount on 20B and divide the result by 365 and round to the nearest cent. Enter this amount on line 20C.

**Line 21:** Add the amounts on line 19C and line 20C. Enter the sum on page 1, line 14.

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**Line 22:**

There are two types of inducements:

The first type of inducement is the *giving of an item at no cost to the patron*. The value of this type of inducement is its fair market value.

The second type is the *offering of an item at a discounted price*. The value of this type of inducement is the difference between the discounted price and the fair market value of the inducement.

**SCHEDULES** on pages 3 through 5 must include **all** information including the date of each payment where specified, the full name, complete address, and the exact amount disbursed to each payee. Alternate documentation may be used, however, it must include the same information.

**Schedule I**

Report all bingo expenses in the Schedule I portion of the Financial Report. All bingo expenses must be paid from the special bingo account. Only those expenses listed in lines 23 through 32C are considered to be bingo expenses. Some items may be prorated. Enter the prorated portion of such bingo expenses in Schedule I. Enter any remaining portion of such expenses in Schedule II.

**Line 23:** You may prorate the mortgage expense based on the time and area devoted to bingo. If the premises in which you conduct bingo is rented and not used for any purpose other than bingo, enter the rent in Schedule I. If you use the rented premises for other activities as well as bingo, *prorate the rent*.

**Line 24:** Enter only the janitorial fees paid from your bingo account which relate to the conduct of bingo. Enter any other janitorial fees in Schedule II.

**Line 25:** Enter only the accounting fees paid from your bingo account which relate to the conduct of bingo. Enter any other accounting fees in Schedule II.

**Line 26:** Enter only the security fees paid from your bingo account which relate to the conduct of bingo. Enter any other security fees in Schedule II.

**Line 27:** Enter your annual bingo license fee here. DO NOT enter your bingo tax here. Enter bingo tax on Schedule II.

**Line 28:** Enter the total you paid for bingo supplies.

**Line 29:** Enter the total amount you paid for bingo equipment and repairs.

**Line 30:** Prorate electrical, gas, water, and trash removal expenses based on the time and area devoted to bingo.

**Line 31:** Enter the total cost of expenses to advertise bingo.

**Line 32:** Bingo workers may not be compensated at a rate in excess of the current federal minimum wage plus 20%. If any form of compensation is given to bingo workers, the compensation may be taxable under state and/or federal tax laws.

*If a salary is paid*, enter on line 32A, the name of each worker compensated, the hours each person worked and the amount of compensation paid.

If compensation of workers takes a form *other than a salary* where a third party actually receives the funds, enter the payee's name, address, and amount paid on line 32B. Include the name of each worker compensated and the hours each person worked.

To calculate the total amount of compensation paid, add the amounts on line 32A and line 32B and enter the total on line 32C.

**Schedule II**

**Line 34:** ALL expenditures of bingo funds must be reported. Enter in Schedule II all expenditures not already reported in Schedule I. Each expenditure of \$300 or more must be reported by listing the date of payment, the payee's name and address, the specific purpose for the payment, and the amount of the payment. Enter the total of these expenditures on line 34A.

Expenditures of net proceeds under \$300 do not require this detail and may be reported in a lump sum on line 34B.

Add the amounts on line 34A and line 34B and enter the total on line 34C.

**Line 35:** Enter your bingo checking account information here. The beginning and ending balance must equal the balance in your *checkbook*. The balances may not concur with your bank *statement* due to some checks and deposits not listed on your bank statement.

**Signature:** The Financial Report **must** be signed by the **proceeds coordinator**.

If you have questions concerning the Financial Report, please call the Bingo Section for your area:

- Phoenix Office: (602) 716-7801
- Tucson Office: (520) 628-6438